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SOURCE Kung-shang Jih-pao.

COMMUNISTS EXPORT SILVER AND GRAIN FROM CANTON  
 TO BOLSTER DWINDLING FOREIGN EXCHANGE

To relieve the shortage of foreign exchange, the Communists in Kwangtung have collected silver and grain for immediate export to Hong Kong and Macao. Some 1,600 cases of silver are now stored in the People's Bank in Canton for that purpose. About 100,000 silver coins from various areas in Kwangtung, as well as an unknown quantity from Honan, are on their way to Canton.

Part of the first shipment of about 1,500 tons of rice has arrived in Macao from Shih-ch'i. The second shipment of about 3,500 tons will follow soon. The stockpiling of about 100,000 bags of rice and the collection of the autumn harvest for shipment abroad has created resentment among the people.

Canton, 14 November -- To replenish the dwindling foreign exchange, the Communist authorities in Kwangtung have ordered the collection of silver and silver coins from various hsien in Kwangtung in exchange for people's notes. It is reported that over 1,600 cases of silver have been received from T'ai-shan, Hsin-hui, Tien-pai, Lo-ch'ang, Yin-te, Ch'u-chiang, Ssu-hui, and other hsien and cities. They are now being stored in the vaults of the People's Bank in Nan-tai, Canton. About 100,000 silver yuan coins are expected from the Ho-yuan and Wu-hua areas. The accumulated silver is to be shipped abroad immediately upon release by the Committee of Finance and Economics of the Central and South China Regional District. The committee has ordered the Ch'ang-sha Branch of the People's Bank to ship its available silver (amount not known) to Canton, which is expected to arrive soon.

(Chung-yang She) -- Due to the shortage of foreign exchange, the Chinese Communists are following strictly the trade policy of export before import. During the past 2 months, foreign exchange granted to importers in Canton amounted to less than 5 million Hong Kong dollars. Requests for foreign exchange for the fourth quarter by the traders were submitted to the Canton Foreign Trade Bureau in early October, but none has yet been granted. To acquire

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foreign exchange for essential imports, Communist authorities have decided to export grain and food products to Hong Kong and Macao. Part of the first shipment of about 1,500 tons of rice has already arrived in Macao from Shih-ch'i. The second shipment of 3,500 tons will be sent before the end of the year.

Chung-shan, 14 November -- Autumn rice has not been reaching the market in any large quantity even though the harvest has been in progress for quite some time in Chung-shan, Tung-kuan, Pao-an, P'an-yu, Nan-hai, and other areas in Kwangtung. The reason is that the Communists have ordered the branch food bureau in Chu-chiang to stockpile all the available grains at Shih-ch'i and Tai-p'ing for export to Hong Kong and Macao for the purpose of acquiring foreign exchange.

It is estimated that over 100,000 bags (150 to 180 catties [one catty equals 1 1/3 pounds] per bag) of rice are being stored in the warehouses for shipment. The farmers are eating miscellaneous foods and porridge since the autumn harvest has not yet been completed. The policy of exporting the needed grain has created popular resentment against the Communists.

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